Return Address:

Office of Housing
700 Fifth Avenue, Suite 5700
Post Office Box 94725
Seattle, Washington 98124-4725
Attn.: Rosey Zhou

REGULATORY AGREEMENT
(Covenants and Easements for Low-Income Housing)

Grantor(s):

1. **1601 YESLER LLC**
2. **AFRICATOWN COMMUNITY LAND TRUST**

Grantee(s):
1. **THE CITY OF SEATTLE**

Legal Description:
1. **Lots 1 - 6, Block 15, H. L. Yeslers 1st Addition to Seattle, Vol. 1, pg. 215; and Lots 1 - 6, Block 3, Hill Tract Add., Vol. 8, pg. 42.**

2. **Additional legal description is on page 3 of document.**

Assessor's Property Tax Parcel Account Number(s): 982670-0565-05

REGULATORY AGREEMENT
(1601 YESLER ACQUISITION LOAN)

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REGULATORY AGREEMENT

THIS REGULATORY AGREEMENT ("Regulatory Agreement") is entered into as of October ___, 2021, by and among **1601 YESLER LLC**, a Washington limited liability company ("Borrower"), and **AFRICATOWN COMMUNITY LAND TRUST**, a Washington nonprofit corporation ("Sponsor") (collectively, the Borrower and Sponsor are referred to as "Grantor"), in favor of **THE CITY OF SEATTLE**, a Washington State municipal corporation (the "City").

RECITALS

WHEREAS the City and the Grantor desire that decent, safe and sanitary housing for low-income households be provided in the building(s) to be constructed or renovated on the real property at the address stated below in Seattle, Washington, legally described as follows (which, including all improvements now or hereafter thereon, is referred to as the "Property"):

LOTS 1 THROUGH 6, INCLUSIVE, BLOCK 15, H.L. YESLER'S 1ST ADDITION TO THE CITY OF SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 215, IN KING COUNTY, WASHINGTON;

AND

LOTS 1 THROUGH 6, INCLUSIVE, BLOCK 3, HILL TRACT ADDITION TO THE CITY OF SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 8 OF PLATS, PAGE 42, IN KING COUNTY, WASHINGTON.

WHEREAS, the City has committed, subject to certain terms and conditions, to make a loan to the Borrower (the "Loan"), to finance a portion of the costs of the Borrower's acquisition of the Property, and in partial consideration of the Loan the Grantor is willing to commit to provide Low-Income Housing on the Property as described below; and

WHEREAS, the City and the Grantor desire that the use of all or a portion of the Property be restricted to serving as housing for Low-Income Families (as defined below) to the extent indicated below), for a minimum period of approximately fifty (50) years from the date hereof, and in consideration of the City's agreement to make the Loan, the Grantor has agreed to certain commitments and to place certain restrictions on the Property; and

NOW, THEREFORE, the Grantor hereby agrees to and does hereby grant to the City and impose upon the Property, and upon any interest in the Property now held or hereafter acquired by the Grantor, the following covenants, restrictions, charges and easements, which shall run with the land, be a burden upon the Property and all portions thereof, and shall be binding upon any purchaser, grantee, owner or lessee of any portion of the Property and any other person or entity having any right, title or interest therein and upon the respective heirs, executors, administrators, devisees,

successors and assigns of any purchaser, grantee, owner or lessee of any portion of the Property and any other person or entity having any right, title or interest therein, for the term of this Regulatory Agreement.

Part I: Summary of Property-Specific Terms

Item	**Terms**			
the Grantor's Mailing Address and Phone	c/o Africatown Community Land Trust, 1437 South Jackson Street, Suite 100, Seattle, Washington, 98144			
Maximum Loan Amount	$5,800,000.00			
Fund Source(s) for this Loan	Coronavirus Local Fiscal Recovery Funds and other local funds			
Property Address	1601 East Yesler Way, Seattle, Washington 98122			
Land Use Designation	NC1-55			
# of Extremely Low-Income Units	HOME- funded	0	Other	47
# of Very Low-Income Units	HOME- funded	0	Other	91
# of other Low-Income Units	HOME- funded	0	Other	147
Total Manager Units	HOME- funded	0	Other	0
Total City-funded Units	HOME- funded	0	Other	285
Total Units		285		
# of City-funded Units for Homeless Families		0		
Special population to be served, if any		None		
Latest Commencement Date		October 31, 2029		

Part II: General Provisions

Section 1. Definitions. Unless otherwise expressly provided herein or unless the context clearly requires otherwise, the terms defined above shall have the meanings set forth above, and the following terms shall have the respective meanings set forth below for the purposes hereof:

"60%-of-Median-Income Family" means a Family whose Annual Income does not exceed sixty percent (60%) of Median Income.

"60%-of-Median-Income Housing" means housing for 60%-of-Median-Income Families, consisting solely of Units with Rent and occupancy restricted as 60%-of-Median-Income Units in accordance with the terms of Section 2 of this Regulatory Agreement.

"Annual Income" means the annual income of a Family as determined, unless otherwise approved in writing by the City, in accordance with 24 C.F.R. § 5.609 or successor provision, and unless otherwise approved in writing by the City shall be calculated in accordance with 24 C.F.R. § 92.203(d) or successor provision, subject to any interpretations, modifications or assumptions that may be promulgated by HUD. The Grantor shall follow the requirements in 24 C.F.R. § 5.617 when making subsequent Annual Income determinations of persons with disabilities after their initial occupancy.

"City-funded Units" mean all dwelling units to be constructed on the Property, together with all rights and interests in the Property appurtenant to those dwelling units. The City-funded Units are more specifically identified in Section 2(c) below.

"CPI" means the Housing Component of the Consumer Price Index (All Urban Consumers) for Rent of Primary Residences for the Seattle area as published by the U. S. Bureau of Labor Statistics ("BLS"). If the BLS shall no longer publish that series, then "CPI" shall mean such other index as the City shall select or construct in its sole discretion as a basis for estimating changes in consumer rental housing costs, based on any data for the Seattle area or an area including Seattle, published or reported by a federal, state, or local agency, as the City shall select in its sole discretion.

"CPI Increase" means, as of any date, the annual percentage increase in the CPI as most recently determined and published by OH for Rent increase calculations. Publication may be made by posting on the OH website or by such other means as the OH Director shall determine, or both.

"Deed of Trust" means the Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing executed by the Borrower and the Sponsor and delivered to the City to secure, among other things, the repayment of the Loan and the performance of the agreements made in the Promissory Note and Loan Agreement, granting a mortgage lien on and security interest in the Property, as it may be amended.

"Extremely Low-Income Family" means a Family whose Annual Income does not exceed thirty percent (30%) of Median Income.

"Extremely Low-Income Housing" means housing for Extremely Low-Income Families, consisting solely of Units with Rent and occupancy restricted as Extremely Low-Income Units in accordance with the terms of Section 2 of this Regulatory Agreement.

"Family" has the meaning set forth in 24 C.F.R. § 5.403, or successor provision, and includes an individual person.

"Homeless Family" means a Family that:

(a) lacks a fixed, regular, and adequate nighttime residence; or

(b) has, or had within thirty (30) days before occupancy of a City-funded Unit in the Property, a primary nighttime residence that is:

  (i) a supervised, publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels and congregate shelters); or

  (ii) an institution that provides a temporary residence for individuals intended to be institutionalized; or

  (iii) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings; or

  (iv) Transitional Housing; or

(c) is certified by a public or nonprofit agency, acceptable to the City, to be in imminent danger of becoming a Homeless Family under paragraph (a) or (b) above.

"HUD" means the United States Department of Housing and Urban Development or any successor agency.

"Loan" means the loan made by the City to the Borrower under the Loan Agreement to finance certain of the acquisition costs of the Property.

"Loan Agreement" means the Loan Agreement between the City and the Borrower with respect to the Property dated on or about the date hereof, as such agreement may be amended from time to time.

"Loan Documents" means the Loan Agreement, the Promissory Note, the Deed of Trust, this Regulatory Agreement, all documents attached as exhibits to or incorporated by reference in any of the foregoing, and any amendments to any of the foregoing duly executed and delivered by the City and/or the Grantor.

"Low-Income Family" means a Family whose Annual Income does not exceed eighty percent (80%) of Median Income.

"Low-Income Housing" means housing for Low-Income Families for and occupied by, households with annual incomes no higher than eighty percent (80%) of Median Income, as more specifically set forth in Section 2 of this Regulatory Agreement.

"Management Agent" means any person or entity retained by or on behalf of the Grantor to manage the Property, or the lessee or sublessee under any master or operating lease or sublease for the Property, but shall not include the Grantor or any employee of the Grantor acting as such in management of the Property.

"Maximum Formula Rent" for a Unit at any time means the maximum rent that may be charged for the Unit that is consistent with all of the following: (a) all of the applicable subsections of Section 2 below; (b) each other agreement between the Grantor and any State, county or federal agency or commission with respect to the Unit to which the City has expressly consented; and (c) any Section 8 contract or other subsidy contract approved by OH with respect to the Unit.

"Median Income" means median family income for the Seattle area, as published from time to time by HUD, as adjusted for Family size so that the ratio of the Median Income for any Family size to such published median family income is the same as the ratio of the "low-income" limit for that Family size published by HUD for the Section 8 subsidy program for the Seattle area, or any successor program, to the "low-income" limit for that program for a Family size of four persons as published by HUD. If in any year HUD shall publish median family income data for more than one area that includes Seattle, then unless otherwise approved in writing by the OH Director, the lowest of such median family income figures shall be used. If, at any time, Median Income for a Family size cannot be determined under the foregoing sentences based on data published by HUD for the Seattle area within the most recent thirteen (13) months, then the City may determine "Median Income" for such Family size based on any data for the Seattle area or an area including Seattle, published or reported by a federal, state, or local agency, as the City shall select in its sole discretion, adjusted for Family size in such manner as the City shall determine in its sole discretion. For Family sizes that are not integers, the Median Income shall be determined by the City by averaging the Median Incomes for the next higher and lower integral Family sizes as determined under this paragraph.

"OH" means the City of Seattle Office of Housing or any other department or agency that shall succeed to its functions with respect to low-income housing.

"Project" has the meaning set forth in the Loan Agreement.

"Promissory Note" means the Promissory Note executed and delivered by the Borrower to the City and dated on or about the date hereof, evidencing the Borrower's obligation to repay the Loan, and any replacement or substitution thereof or therefor.

"Property" means the land described in the recitals above and all buildings, structures, fixtures, equipment and other improvements now or hereafter constructed, installed or located thereon.

"Rent" shall include all amounts paid directly or indirectly for the use or occupancy of a Unit and of common areas of the Property.

"Rent Schedule" shall mean the initial schedule provided to the City pursuant to Section 2 below, when approved by the City, and each subsequent schedule of Rents prepared by the Grantor, consistent with the terms hereof, showing the Rents and Utility Allowances for City-funded Units.

"Section 8" means Section 8 of the United States Housing Act of 1937, as now and hereafter amended, and HUD regulations thereunder.

"SHA" means the Housing Authority of the City of Seattle, its successors or assigns.

"SMC" means the Seattle Municipal Code, as amended.

"SRO Unit" means a unit of "single room occupancy (SRO) housing," as defined in 24 C.F.R. § 92.2.

"Transitional Housing" means housing that provides supportive services to Families that were formerly Homeless Families, with the intent to stabilize them and move them to permanent housing within a period of not more than twenty-four (24) months.

"Unit" means a dwelling unit in the Property.

"Utility Allowance" shall mean an allowance approved by the City for utilities and services payable by tenants, which, unless otherwise required for any Unit by HUD regulations or policies, shall be equal to the utility allowance allowed by the Washington State Housing Finance Commission under 26 U.S.C. § 42, and the regulations pertaining thereto, for so long as such Commission provides such an allowance no less frequently than annually. If such Commission does not provide a utility allowance under such provisions no less frequently than annually, then the Utility Allowance, unless otherwise directed by HUD, shall be equal to the utility allowance published from time to time by the SHA for the type of Unit in which the City determines that utilities are most nearly comparable to those for such Unit, or, if the City determines that no reasonably comparable figures are available from SHA, the utility allowance shall be such amount as the City determines from time to time is an adequate allowance for utilities and services (to the extent such items are not paid for tenants by the Grantor). The Utility Allowance shall not include telephone services.

"Very Low-Income Family" means a family whose Annual Income does not exceed fifty percent (50%) of Median Income.

"Very Low-Income Housing" means housing for Very Low-Income Families, consisting solely of units with Rent and occupancy restricted as Very Low-Income Units in accordance with the terms of Section 2 of this Regulatory Agreement.

Section 2. Low-Income Housing; Rent and Occupancy Requirements.

(a) General. The Grantor shall develop, own, manage and operate the City-funded Units, and appropriate facilities related thereto, as Extremely Low-Income Housing, Very Low-Income Housing, and 60%-of-Median-Income Housing, in accordance with the terms of the Loan Documents,

on a continuous basis during the term hereof, beginning on the "Commencement Date," which shall be the first date upon which the Seattle Department of Construction and Inspections issues a Certificate of Occupancy (temporary or permanent), if required, for the Property after completion of the Project, but in any event no later than the Latest Commencement Date identified in Part I: Summary of Property-Specific Terms. Except as specifically provided in this Section, the Property shall not be devoted to any use other than Extremely Low-Income Housing, Very Low-Income Housing, and 60%-of-Median-Income Housing together with common areas and support facilities for residents, without the express written consent of OH, in its discretion. If any parking spaces are included in the Property or are allocated to the Property under any condominium documents or agreements, the Grantor covenants that sufficient handicapped-accessible parking spaces shall be made available to satisfy all applicable requirements, including without limitation Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), as amended, and implementing regulations at 24 C.F.R. Part 8, and that upon request of any resident of an accessible Unit, a handicapped-accessible parking space shall be provided for such resident.

(b) Federal Requirements. The requirements of this subsection (b) apply to the extent that federal funds from the sources indicated below in this subsection are used to subsidize the Property, either through the Loan or otherwise. Except as expressly stated below, the provisions of this subsection (b) are only minimum requirements, and the Grantor must also comply with stricter requirements of other subsections. Any agreement for subsidy with respect to the Property (other than through the City) from any of the sources specified in this subsection shall require the advance written consent of the City. If more than one subsection of this subsection (b) applies to a Unit, then unless otherwise expressly provided in this subsection, the Grantor shall comply with each such subsection.

(i) Reserved.

(ii) Section 8 or Other Rental Subsidy Requirements. At any time when rent for any Unit is subsidized under a Section 8 subsidy contract with a housing authority or another subsidy contract approved by OH, Rent for such Unit, including amounts paid by the subsidy provider, shall not exceed the level permitted under the subsidy provider's regulations for such program and any applicable contract, and the Rent limits in subsection 2(c)(ii) below shall apply only to the tenant's contribution to Rent, so that the tenant's contribution plus the Utility Allowance shall not exceed the applicable limit in subsection 2(c)(ii). However, nothing in this subsection shall affect the Grantor's obligation to comply with the occupancy restrictions in subsection 2(c) below.

(c) Occupancy and Rent Requirements.

(i) Occupancy Requirements. At all times after the Commencement Date, the Grantor shall maintain the number of City-funded Units as set forth below by income class. Each City-funded Unit shall be rented solely to, or reserved for rent solely to, Low-Income Families with Annual Incomes, as of the later of

the date hereof or the times of their initial occupancies, no greater than the percentage of Median Income for the respective income class of Unit as set forth below, based on the actual Family size. Units in each income class are in addition to, and not included in, the numbers of Units in higher income classes.

Income Class of Units	Maximum Income (% of median)	Studios	1-bedrooms	2-bedrooms	3-bedrooms
Extremely Low-Income	30%	47			
Very Low-Income	50%		97		
60%-of-Median-Income	60%		124	23	
Manager Unit(s)					
Total		47	221	23	

(ii) City Rent Limits Based on Size of Unit. Except as otherwise expressly provided in this Section 2, each City-funded Unit shall be rented at a monthly Rent that, together with the Utility Allowance, is no higher than one-twelfth of the applicable percentage, as set forth below, of the maximum percentage of Median Income set forth above for the respective class of Unit, adjusted for the presumed Family size corresponding to the size of Unit as set forth below, regardless of the number of persons actually occupying the Unit:

Income Class of Unit	Maximum Rent and Utility Allowance as a percentage of income eligibility limit (divided by 12), based on presumed family size
Extremely Low-Income (30% of Median Income)	30%
Very Low-Income (50% of Median Income)	30%
60%-of-Median-Income	30%

For a studio or SRO Unit, Family size = 1.0; for a one-bedroom Unit, Family size = 1.5; for a two-bedroom Unit, Family size = 3.0; for a three-bedroom Unit, Family size = 4.5.

(iii) Reserved.

(iv) Initial Rent Schedule. Prior to the Commencement Date, as established in subsection 2(a), the Grantor shall submit to the City for approval a proposed initial Rent Schedule, consistent with the terms of this Section and all other funding agreements for the Property, showing the designations of City-funded Units by income class, initial Rents and initial Utility Allowances for each

Unit type (number of bedrooms), the total and tenant-paid Rent and Utility Allowances, and whether the Rent is subsidized by HUD, SHA or other providers of rental subsidy under any rental subsidy program. In the case of Units with Section 8 contracts, or other subsidy contracts approved by OH, the Rent Schedule shall show the maximum tenants' contributions consistent with subsection 2(c) and the contract rents paid under the subsidy contract. The Grantor shall not charge Rents, or collect tenants' contributions to rents, in excess of amounts shown on an initial Rent Schedule approved by OH unless and until an increase is permitted under subsection 2(e) or 2(g).

(v) Loss of Rent, Operating and/or Service Subsidies.

(1) Reserved.

(2) Reserved.

(3) Reserved.

(4) Reserved.

(5) O & M Units. Except as specifically provided in subsection 2(c) above, notwithstanding any other provision of this Section, for so long as any Unit is subsidized by the City Housing Levy Operating and Maintenance Program and the Unit is occupied by an Extremely Low-Income Family, the monthly Rents plus Utility Allowance for such Unit shall be established at thirty percent (30%) of one-twelfth of the actual Annual Income of the Family occupying the Unit, as more specifically determined under the Borrower's operating and maintenance subsidy contract with the City ("O&M Contract"), subject to any provisions of the O&M Contract that permit a lower Rent to be charged.

(d) Eviction Restrictions. No tenants will be evicted from the Property, nor denied renewal of a lease, solely because their incomes increase after the date of their initial occupancy. No tenancy may be terminated, nor lease renewal denied, for refusal to pay a monthly Rent in excess of that permitted hereunder, or for any reason other than "just cause" under Seattle Municipal Code (SMC) § 22.206.160 or its successor. To the extent permitted by law, a tenant may be evicted for falsification of income or other material information in a rental application, certification or lease agreement.

(e) Rent Schedule; Annual Increases.

(i) **Note: This subsection (e) does not allow Rent or, where applicable,the amount charged to a tenant, for any City-funded Unit to exceed the maximum allowed under any applicable provision of subsections 2(b) or**

2(c) above. In addition: (1) to the extent that any other provisions of this Regulatory Agreement, or any terms offered to pre-existing tenants pursuant to the relocation and anti-displacement provisions of federal regulations, require a lower Rent or a Rent based on Family income, such other provisions shall prevail over this subsection (e); (2) for so long as any Unit is subsidized by HUD or SHA under any Section 8 program, under an O&M Contract, or under another project-based subsidy approved by OH, the provisions of this subsection (e) shall not apply to such Unit; and (3) on the first date when any Unit previously subsidized as described in clause (2) above is rented without any such subsidy, the Rent for such Unit may be established without regard to the Rent previously in effect, and for purposes of future Rent increases that date shall be considered the date of the last Rent increase for such Unit.

(ii) (1) The maximum initial Rents, the designations of City-funded Units by income class and the initial Utility Allowances, shall be as established pursuant to subsection 2(c) above, unless otherwise approved in writing by the City.

(2) Subject to subsection 2(e)(i) above, this subsection 2(e)(ii) shall govern Rent increases.

(3) Upon advance notice to tenants as required by law and by the terms of their leases (but in no event less than thirty (30) days), the Grantor may increase monthly Rents for City-funded Units to the extent consistent with this Regulatory Agreement, but not more frequently than one increase per year, not including increases for specific Units upon tenant turnover.

(4) For purposes of this Regulatory Agreement, the effective date of any Rent increase, except for increases for specific Units upon tenant turnover, shall be the same for all City-funded Units, except that instead of implementing a Rent increase fully as to all City-funded Units on the effective date, the Grantor may defer or phase in increases for some or all City-funded Units occupied by Families with incomes, as most recently certified, at or below the maximum levels for initial occupancy of their respective categories of Units, provided that any differences in rents for similar Units must be consistent with all applicable laws and regulations.

(5) The Grantor shall prepare and submit to the City a new Rent Schedule at least thirty (30) days before the effective date of each increase (other than an increase for a specific Unit upon tenant turnover), showing the total Rents to be charged for each City-funded Unit (when any deferred or phased increases are fully implemented, if applicable), showing the applicable income classes and Utility Allowances,

identifying which Units are subject to any limit or preference other than based on income (describing such limit or preference), and identifying which Units are subsidized under any Section 8 contract or other project-based subsidy arrangement. The Rent Schedule shall show the amount and percentage of the increase for each Unit from the last Rent Schedule, and for each Unit for which there was at least one intervening increase pursuant to subsection 2(e)(ii)(8) below, the Rent Schedule shall show the date of the last increase, the Rent that then became effective, and the percentage increase, if any, from that Rent to the new Rent for that Unit.

(6) Except as may be allowed pursuant to subsection 2(e)(ii)(7) below, the percentage Rent increase for a Unit shall not exceed the greater of (i) one and one-half percent (1.5%), or (ii) the CPI Increase as most recently published by OH as of the date of the Rent Schedule submitted pursuant to subsection 2(e)(ii)(5) above.

(7) Upon Grantor's request, City may, in its sole discretion, approve a percentage increase in Rent on one or more Units greater than the applicable percentage increase permitted in subsection 2(e)(ii)(6) above, if the Grantor provides evidence acceptable to the City that the Property has experienced expenses that would justify such a larger Rent increase, and provided that the Rent is consistent with subsection 2(c) of this Regulatory Agreement and any other limit applicable under subsection 2(b).

(8) Upon reletting of a Unit after the termination of occupancy of the Family previously occupying that Unit, without any violation or breach by the Grantor or its agent of any terms of this Regulatory Agreement or any applicable law or ordinance, the Grantor may increase the Rent for that Unit to the maximum allowable rent based on the number of bedrooms in the Units and the income class as stated in subsection 2(c)(ii), above, subject to the terms of subsections 2(b) and 2(c).

(9) Except as expressly permitted in this subsection 2(e) or subsection 2(g) below, no other rent increases shall be implemented without the City's prior written approval, which may be withheld in the City's sole discretion.

(f) Annual Certifications. The Grantor shall obtain from each tenant, no less frequently than annually, a certification of Family size and Annual Income, in form acceptable to the City. If so requested by the City, the Grantor shall obtain such certifications and/or examine incomes and Family sizes at any other times upon reasonable advance notice from the City. The Grantor shall maintain all certifications and documentation obtained under this subsection on file for at least five (5) years after

they are obtained, and shall make them available to the City or HUD for inspection and copying promptly upon request.

(g) Over-Income Tenants.

(i) Mandatory Rent Increase. If, at any recertification of incomes, the Annual Income of a Family in one of the City-funded Units on the Property that is not then subsidized under a Section 8 program or another subsidy contract approved by OH exceeds one hundred forty percent (140%) of the income limit for the class of the Unit as identified in Section 2(c), and if the Rent for that Unit is less than the Maximum Formula Rent, then the Grantor shall increase the rent for that Unit, or the portion of rent payable by the tenant if only that portion is then subject to limit under subsection 2(c)(ii), to the Maximum Formula Rent, and shall give notice to the tenant of the new monthly rate within thirty (30) days after the recertification of income. Such increase shall take effect on the first day of the first monthly rental period commencing thirty (30) days after notification, or sixty (60) days after notification if SMC § 7.24.030 applies, or after such longer period as may be required by law or by any recorded covenant having priority over this Regulatory Agreement. The Grantor shall continue to charge the Maximum Formula Rent for the Unit unless and until there is a change in tenancy or the income of the Family in the Unit is determined to be less than one hundred forty percent (140%) of the income limit for the class of the Unit.

(ii) Optional Rent Increases. If, at any recertification of incomes, the Annual Income of a Family in one of the City-funded Units exceeds sixty-five percent (65%) of Median Income, the Grantor may notify the tenant and the City that, beginning on a date no earlier than one (1) year after the date of such certification of income, the tenant shall be charged a higher monthly Rent than would otherwise apply under this Regulatory Agreement, including subsection 2(g)(i) if applicable, but such tenant's Rent plus Utility Allowance shall not exceed one-twelfth (1/12) of thirty percent (30%) of the tenant Family's actual income or the applicable limit under subsections 2(b) or 2(c), if lower. This notice may be combined with a notice required under subsection 2(g)(i). Such increase may take effect on the date indicated in the notice unless the tenant Family's Annual Income, as determined by the most recent recertification as of that date, is no greater than sixty-five percent (65%) of Median Income. When the income of a tenant Family that is paying up to thirty percent (30%) of actual Family income for Rent and utilities pursuant to the preceding sentence decreases to a level below thirty percent (30%) of Median Income, in the case of Extremely Low-Income Unit, fifty percent (50%) of Median Income, in the case of a Very Low-Income Unit, or sixty percent (60%) of Median Income, in the case of a 60%-of-Median Income Unit, the limit on the tenant Family's Rent shall be the maximum Rent that would have been applicable if no increase in the Family's income had

occurred, effective as of the first rental period after the date of certification of the decrease in Family income.

(iii) Reserved.

(h) Excessive Rents.

(i) If the City makes a preliminary determination that the Grantor has charged or collected Rents, or imposed Rent increases, in excess of the limits hereunder, the City may give the Grantor written notice of such determination and if the Grantor does not respond in writing within thirty (30) days such determination shall be final and binding. If the Grantor disputes the City's determination that a rent increase exceeds permissible limits, or that excess Rents have been collected, or the amount of any excess, by a written response within such 30-day period stating in detail the basis for the Grantor's disagreement with the City's preliminary determination, the parties shall meet and attempt to resolve any differences. If agreement is not reached within thirty (30) days after the City's receipt of the Grantor's response, the City may require, upon ten (10) days' notice, that the Grantor either accept the City's final determination or elect to have the matter determined by an independent certified public accountant (or, if so agreed by both parties, any other qualified person) acceptable to the City, whose determination as to the maximum Rents permitted hereunder and the amount of any excess Rents collected shall be final and binding on both parties. The full cost of the audit shall be paid by the party whose final position as to the amount of excess Rents, if any, prior to submission of the matter to the accountant, was farthest in dollar amount from the accountant's final determination. Pending resolution of any dispute as described in this subparagraph, the Grantor shall not be required to refund any Rents but may be required to rescind or reduce Rent increases so that Rents do not exceed levels agreed by both parties to be permissible.

(ii) After any final determination that any Rent increase exceeds the limits hereunder or that Rents have been collected by the Grantor or its agents in excess of the limits hereunder, the City may (1) require the Grantor to reduce Rents or rescind Rent increases so that Rent is within such limits, and/or (2) to the extent necessary to offset any excess Rent collected plus interest thereon at the rate of twelve percent (12%) per annum, require one or more of the following: (A) that the Grantor make refunds to the tenants making overpayments; (B) that the Grantor reduce Rents below levels otherwise permissible hereunder for a limited period of time; and/or (C) that the Grantor limit future increases below amounts otherwise permissible for a limited period of time. If any Rents exceeding the limits hereunder, plus interest thereon, are not refunded promptly upon the City's demand and after the conclusion of any audit requested under the following subparagraph, such amounts may be recovered in an action brought by the City for recovery of

such amounts on behalf of tenants (but City shall not be obligated to bring any such action). If the Grantor, notwithstanding a final determination requiring reduction in Rents hereunder, fails to give notice to tenants of such reduction within ten (10) business days, the City may give such notice to tenants directly.

(i) Copy to Tenant. The Grantor shall provide each tenant in the Property with a copy of this Section or a summary, previously submitted to the City, of the rent and occupancy limitations herein, with any modifications requested by the City within twenty (20) business days of receipt by the City.

(j) Tenant Selection. The Grantor shall adopt and apply written tenant selection criteria consistent with all applicable laws and regulations, and with Section 9 below.

Section 3. Reporting and Records.

(a) The Grantor will make annual certifications to the City that it is in compliance with this Regulatory Agreement. Such certifications shall be submitted by June 30 of each year and shall include the most current occupancy information, Rent Schedule (showing which Units are City-funded Units in each income class, and which are subsidized under Section 8 or another project-based or tenant-based subsidy program), a calculation justifying any increases in Rents from the previous Rent Schedule, consistent with this Regulatory Agreement, and the actual Rents being charged to each tenant Family in a City-funded Unit. The City shall have the right to review Rents for compliance and approve or disapprove them every year. In the event the Grantor submits annual certifications to satisfy the reporting requirements of multiple funders, the Grantor will designate and report all City-funded Units at the income class required by the most restrictive funder as well the classification for purposes of this Regulatory Agreement. If any federal funds are involved in the City funding of the Project, the Grantor shall also submit certifications of income and Family size obtained in the previous year. The Grantor shall also include with such certification any changes in the management policies for the Property and such other information covering the prior calendar year as the City may request by notice at least ninety (90) days in advance of the due date, and with such accompanying documentation as the City may request.

(b) The Grantor shall provide such additional reports regarding tenants, operations, and Property condition as set forth in the Loan Agreement, whether or not any part of the Loan shall be outstanding. If so requested by the City, the Grantor shall report to the City, at such other times as the City shall request upon reasonable advance notice, on the Rent levels, current income levels of tenants, and management policies for the Property.

(c) The Grantor shall maintain at all times complete and accurate records showing compliance with this Regulatory Agreement for at least the preceding six (6) years.

(d) Reserved.

Section 4. Term; Covenants Run with the Land.

(a) Unless sooner modified or terminated in accordance with Section 6 hereof, this Regulatory Agreement shall continue in full force and effect until October __, 2071, and thereafter for any period for which the maturity of the Loan, or any part thereof, or of any other indebtedness then secured by the Deed of Trust, shall be extended or shall remain outstanding.

(b) Reserved.

(c) The Grantor hereby declares its express intent that the covenants, restrictions, charges and easements set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Grantor's successors in title including any purchaser, grantee, owner or lessee of any portion of the Property and any other person or entity having any right, title or interest therein and upon the respective heirs, executors, administrators, devisees, successors and assigns of any purchaser, grantee, owner or lessee of any portion of the Property and any other person or entity having any right, title or interest therein. The Grantor shall not transfer the Property or any portion thereof or interest therein to any successor unless successor agrees in writing to be bound by the provisions of this Regulatory Agreement to the same extent as the transferor and the City receives a copy of such agreement prior to the transfer. The execution and delivery of such agreement to the City shall be a condition precedent to the effectiveness of any transfer of any interest in the Property to such successor, but the covenants herein shall be binding on any such transferee regardless of whether such written agreement is obtained. This Regulatory Agreement has priority over the Deed of Trust and shall survive any payment, release, satisfaction or cancellation of the Loan or the Deed of Trust occurring prior to the expiration of the period referred to in the previous subsection. The covenants herein are independent of and in addition to the covenants in the Deed of Trust and Loan Agreement, any other covenants made for the benefit of the City, and any additional loan documents that may be executed between the City and any one or more of the Grantors. No transfer of the Property shall operate to relieve the Grantor or any successor of its obligations hereunder unless expressly so agreed in writing by the City. This Section shall not prohibit any mortgages, deeds of trust, regulatory agreements and covenants for the purposes of the financing contemplated by the Loan Agreement, nor prohibit any transfer upon foreclosure of a deed of trust or mortgage approved by the OH Director, or in lieu of foreclosure thereof, or any subsequent transfer, but any transfer shall be subject to the terms of this Regulatory Agreement.

(d) Reserved.

Section 5. Remedies; Enforceability. In the event of a violation by the Grantor or its successors in interest of any of the provisions of this Regulatory Agreement the City may notify the Grantor or its successor in writing of the violation. The Grantor or its successor shall have thirty (30) days from the date of notice to the Grantor to cure such violation. Notwithstanding the foregoing, if the violation is of such a nature that it may not practicably be cured within thirty (30) days, City shall not be entitled to exercise its remedies so long as the Grantor commences cure of such violation within the 30-day period and diligently pursues the cure to completion within ninety (90) days after such notice, or within such other time frame as shall be approved by the City. If the Grantor or its successors does not cure (or, if the preceding sentence applies, commence cure of) the violation within

the 30-day period or if the Grantor does not diligently pursue cure pursuant to the preceding sentence, the City may, in its discretion, pursue any and all remedies provided hereunder or available at law or in equity. The Grantor agrees that such remedies shall include, without limitation:

(a) The City may petition a court of competent jurisdiction for the appointment of a receiver, and the City shall be entitled, after notice to the Grantor as provided under appropriate court rules, and without bond, to the appointment by a court of competent jurisdiction of a receiver to assume full management, control and possession of the Property and to exercise all rights available under applicable law (but not including the power to sell or dispose of the Property). If so requested by the City, the receiver may have, in addition to all the rights and powers customarily given to and exercised by a receiver, any or all of the rights and powers granted to the City by the Loan Documents. The Grantor shall cooperate fully in any transfer of management and control to a receiver appointed by a court. The receiver shall remain in control of the Property until any one of the following events:

(i) The Property shall be transferred pursuant to a foreclosure sale or deed in lieu of foreclosure;

(ii) The court shall determine, after an evidentiary hearing, that there was no basis for appointment of a receiver hereunder;

(iii) All defaults hereunder and any other Events of Default under the Loan Documents shall have been cured to the reasonable satisfaction of the City (or waived by the City in its sole discretion), all fees and expenses of the City in connection with such defaults and all related proceedings shall have been reimbursed by the Grantor and the court shall be satisfied that the Grantor is ready, willing and able, financially and otherwise, to resume operation of the Property in full compliance with this Regulatory Agreement;

(iv) The court shall transfer control of the Property to a substitute receiver proposed or consented to by the City; or

(v) This Regulatory Agreement shall terminate in accordance with its terms.

The Grantor agrees not to petition the court for transfer of control to the Grantor except for the reasons stated above unless so requested by the City, in which case the Grantor shall join in a petition to reinstate the Grantor's control of the Property.

Neither the receiver nor the City shall be deemed to have assumed any liabilities of the Grantor or any other person relating to the Property, except that the receiver shall be responsible, to the extent permitted by applicable law and the orders of the court, for renting Units in the Property; collecting rents and applying them to Property expenses, including the receiver's reasonable fees and expenses and debt service falling due on any mortgage indebtedness permitted by the Loan Documents or otherwise approved in writing by the City, with any surplus (after reimbursement to the City of any advances made pursuant to the terms hereof and, so long as the Deed of Trust encumbers the Property, after deposits in reserve accounts

as required by the Loan Documents) deposited in the registry of court for determination of the persons entitled thereto; and otherwise managing and preserving the Property, but the receiver shall have no liability to the Grantor for any act or omission of the receiver except for gross negligence or willful misconduct.

(b) In addition or in the alternative, the City shall be entitled to specific performance, preliminary and permanent injunctive relief, monetary damages, restitution, and recovery of all costs and attorneys' fees incurred in enforcing this Regulatory Agreement including without limitation the costs of any repairs or other actions reasonably necessary with respect to the Property and the reasonable value of any services provided by City employees in connection therewith.

The rights and remedies specified in this Section are in addition to, and not in substitution for, the City's rights and remedies for excessive Rents under subsection 2(h) above, provided that unless required by federal law or regulations the City shall not seek additional remedies under this Section for charging of excessive Rents unless a determination under such subsection shall have become final and the Grantor shall have failed or refused to comply with the requirements of the City under that Section after thirty (30) days' written notice of such requirements, which notice shall constitute the notice and opportunity to cure required by this Section. No waiver of any breach or violation shall be binding unless in writing signed by the City and no waiver or delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of the City to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time or times. The Grantor hereby agrees to pay, indemnify and hold the City harmless from any and all costs, expenses and fees, including all reasonable attorneys' fees which may be incurred by the City in enforcing this Regulatory Agreement following any default on the part of the Grantor whether the same shall be enforced by suit or otherwise.

Section 6. Recordation; Amendments; Termination.

(a) The Grantor shall cause this Regulatory Agreement to be duly recorded in the Office of the King County Recorder as an encumbrance upon the Property prior to the Deed of Trust and shall deliver to the City a copy of this Regulatory Agreement showing recording information.

(b) The provisions hereof shall not be amended or revised except by an instrument in writing duly executed by the City and by the Grantor or its successor in title and duly recorded. This Regulatory Agreement shall not be terminated prior to the expiration of the stated term hereof except by instrument executed by the City and duly recorded. In either case, no such writing shall be binding upon the City unless duly executed by the Mayor or the Director of OH.

Section 7. No Conflict with other Documents. The Grantor represents and warrants that it has not executed and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that the Property is not and will not be subject to any requirements or restrictions in conflict with the provisions hereof.

Section 8. **Severability.** The invalidity of any clause, part or provision of this Regulatory Agreement shall not affect the validity of the remaining portions thereof.

Section 9. **Vacancies; Nondiscrimination; Affirmative Marketing; Tenant Selection.**

(a) The Grantor shall make good faith efforts to rent all vacant Units. The Grantor shall comply with all applicable fair housing and nondiscrimination laws, ordinances and regulations, including without limitation, SMC Chapter 14.08, as now in effect or hereafter amended. The Grantor further agrees that with respect to City-funded Units it shall not engage in, nor permit, any act or practice that would be prohibited by any such law, regulation or ordinance but for the existence of any present or future exemption therein, or other limit on the effect thereof, that is based on the type of organization, character, mission or beliefs of the Grantor or of any other person or entity acting as or for the lessor or sublessor of a City-funded Unit. The Grantor shall adopt and follow an affirmative marketing policy designed to attract eligible persons from all racial, ethnic, and gender groups in the housing market to available Units, consistent with the City's Affirmative Marketing procedures. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status, or disability.

(b) To the extent applicable, if any of the Extremely Low-Income Units are for permanent occupancy, the Grantor shall inform providers of emergency shelters and Transitional Housing about the Property and shall promote access to the Units, when vacant, by Families in such shelters or Transitional Housing that are ready to move into permanent housing. In the case of a Transitional Housing Unit, the Grantor shall inform providers of emergency shelters about the Unit and shall promote access to the Units, when vacant, by Families in such shelters that are ready to move into Transitional Housing. The Grantor shall maintain records of its affirmative marketing efforts and shall include in its annual report to the City, in such detail as the City shall request, information on Affirmative Marketing efforts and the results thereof.

(c) Reserved.

(d) Title II of American Disabilities Act of 1990 as amended ("ADA") and Section 504 of the Rehabilitation Act of 1973, as amended, 29 C.F.R. § 794 ("Section 504") apply generally to protect people with disabilities in programs or activities of the City and it is City policy that recipients of funding for projects under those programs, whether or not receiving federal funds, shall comply with the same requirements. The Grantor agrees that it shall provide all programs, housing, services and activities at or from the Property in full compliance with Title II of the ADA and Section 504, and regulations under those laws, as they would apply to the same programs, services and activities if provided by the City, and the Borrower shall not deny or permit the denial of participation or the benefits of such services, housing, programs or activities on the basis of disability.

Section 10. **Insurance**. The Grantor shall keep or cause to be kept the improvements now existing or hereafter erected on the Property insured, by an insurance company legally entitled to do business in the State of Washington and acceptable to City, against loss by fire and other hazards

included within the term "broad form" coverage. If requested by the City, the Grantor shall maintain insurance covering additional hazards against which mortgage lenders customarily require insurance. The Grantor's casualty insurance shall cover one hundred percent (100%) replacement value of the improvements for the entire term of this Regulatory Agreement unless otherwise agreed in writing between the parties. The Grantor shall provide to City evidence satisfactory to the City of compliance with this Section, promptly upon any request by City. In the event of loss, insurance proceeds shall be applied to restoration or repair of damages to the Property, unless the City determines that such restoration or repair would impair the City's security under the Loan Documents or the parties agree that restoration or repair is economically unfeasible. For purposes of this Section and Section 11, impairment of the City's security shall be determined by comparison to the adequacy of the City's security prior to the casualty loss. Provided insurance is maintained as required herein, the Grantor's or its successors' obligation to repair, if repairs are undertaken, shall be limited to and shall not exceed the insurance payments received by the Grantor or its successor from the insurance policy required herein and any additional insurance maintained on the Property, plus any reserves maintained with respect to the Property. The provisions of this Section 10 regarding the use and disposition of insurance proceeds shall be subject to the rights of any third parties as set forth in any Exception (as defined in the Deed of Trust) having priority over this Regulatory Agreement (unless otherwise agreed by such third parties), and to any contrary provisions of any Subordination Agreement or Priority Agreement with respect to the Property signed by the City.

Section 11. Involuntary Loss. In the event of loss or damage to the Property the Grantor shall give prompt notice to the City. Subject to the limitation on the Grantor's obligation pursuant to the preceding Section, the Grantor shall promptly restore or repair the damages to the Property, in order to assure compliance with this Regulatory Agreement, unless City determines in writing that the City's security under the Loan Documents would be impaired by use of available insurance proceeds and any other resources provided by the Grantor for such restoration or the parties agree that repair or restoration is not economically feasible.

Section 12. Maintenance of Property. The Grantor shall: (a) at all times on and after the Commencement Date maintain the Property in good and tenantable condition and repair; (b) neither commit nor suffer waste; and (c) promptly comply with all applicable laws, codes and regulations applicable to the Property and the requirements of all federal, state and local authorities and pay all fees and charges in connection therewith. The Grantor shall not cause or permit any conditions that would constitute a nuisance. The Grantor shall ensure that the portions of any condominium not subject to this Regulatory Agreement are maintained, used and operated in a manner that complies with applicable law and affords reasonable and safe access to the City-funded Units, and does not impair the use, enjoyment, or security of the City-funded Units. Should the Grantor fail to comply with any of the requirements of this section, then within thirty (30) days after notice to the Grantor of a violation thereof the Grantor shall have prepared, in consultation with the City, a plan reasonably acceptable to the City to remedy the violation as promptly as feasible, and the Grantor shall diligently pursue such plan to completion within the time period specified therein. If the Grantor fails to develop or to implement such a plan in a timely manner or if the City determines in its discretion that an emergency exists that makes it necessary in order to protect the tenants of the Property, the City may, but shall not be obligated to, make the repairs or pay the costs to cure any non-compliance with this section and recover from the Grantor as damages any costs incurred by the City.

Section 13. Grant of Easement. The Grantor hereby irrevocably grants an easement in gross to the City and its agents and employees, for the duration of this Regulatory Agreement, subject to the rights of residential tenants under applicable laws and ordinances, to enter the Property at any time when the City determines in its good faith discretion that an emergency makes such entry necessary for the protection of any tenants or the public, and to enter the Property at any other time on three (3) days' notice in advance to the Grantor or the Grantor's agent, for any of the following purposes:

(a) to inspect the condition of the Property and determine compliance with the covenants hereof;

(b) to interview tenants and verify income information, occupancy levels and any other matters relevant to this Regulatory Agreement;

(c) to inspect and copy any documents maintained by the Grantor or its agent relevant to this Regulatory Agreement; or

(d) in the event of default hereunder, not cured within any applicable cure period, to perform repairs as provided herein or take any other action permitted hereunder.

Section 14. Leases; Fees.

(a) The Grantor shall rent City-funded Units only pursuant to a form lease or rental agreement prepared by the Grantor. The Grantor shall provide a copy of the form of lease currently in use to the City promptly upon any request by the City. The form lease or rental agreement shall: (a) comply with all applicable laws; (b) not include any provisions prohibited by applicable laws or regulations; (c) prohibit subletting or assignment of the lease without the express written approval of the Grantor, which approval shall not be granted by the Grantor if the result would be any violation of the rent or occupancy restrictions herein; and (d) state that information about the limitations on Rents and Rent increases pursuant to this Regulatory Agreement is available from OH.

(b) Reserved.

(c) Tenants shall not be charged fees that are not customarily charged in rental housing such as laundry room access fees, and other fees. The Borrower may charge reasonable application fees to prospective tenants and may charge parking fees to tenants only if such fees are customary for rental housing projects in the neighborhood. The Borrower may charge fees for services such as bus transportation or meals, as long as such services are voluntary.

Section 15. Management and Management Agent. Subject to the requirements of this Regulatory Agreement and applicable law, the Grantor shall operate the Property, or cause the Property to be operated, in accordance with the management plan as approved by the City pursuant to the Loan Agreement. The Grantor shall not engage a Management Agent for the Property, amend (including renew) or terminate an agreement with an existing Management Agent, without the City's

prior consent to the agent and the agent's compensation, provided that a Management Agreement that has an automatic extension unless otherwise terminated and has been approved by the City shall be deemed to have been consented to by the City with respect to any such extensions. If the City does not object in writing within ten (10) days after written notice to the City of the identity of any Management Agent and the terms of the proposed agreement or renewal with a term not to exceed one (1) year, together with any information as to the background or experience of the Management Agent as the City may request, the City shall be deemed to have consented to the new Management Agent and/or the terms of the new or renewed agreement.

Section 16. **No Assumption of Obligations by City.** Nothing in this Regulatory Agreement shall be construed to impose on the City any obligation or liability not expressly provided herein. This Regulatory Agreement is not intended to create any duties on the part of the City to any tenant or occupant of the Property, nor to confer on any tenant or occupant of the Property or any other person any right or claim against the City or its agents or employees in the event of any action or failure to act by the City hereunder.

Section 17. **Notices.** All notices to be given pursuant to this Regulatory Agreement shall be in writing and shall be deemed given when hand-delivered within normal business hours, when actually received by facsimile transmission during business hours, or two (2) business days after mailed, postage prepaid, to the parties hereto at the addresses set forth below, or to such other place as a party (or the Investor, if applicable) may from time to time designate in writing.

GRANTOR:
c/o Africatown Community Land Trust
1437 South Jackson Street, Suite 100
Seattle, Washington, 98144
Attention: K. Wyking Garrett, President

with a copy to:

Constance Proctor
Century Law Firm, PLLC
2135 112th Avenue NE
Bellevue, Washington 98004

CITY:
City of Seattle
Office of Housing
700 Fifth Avenue, Suite 5700
Post Office Box 94725
Seattle, Washington 98124-4725
Attention: Director

Any notice to the Borrower in accordance with this Section shall be sufficient notice to any other Grantor.

Section 18. **Reserved**.

Section 19. **Project Evaluation.** Grantor agrees to participate in any evaluation or study commissioned by OH, any other public or private funder (as may be reasonably requested). If Grantor participates in any other evaluation or study, Grantor agrees to submit copies of such evaluation or study to OH within five (5) business days of Grantor's receipt of such evaluation or study. OH may reasonably request follow-up evaluation or study data and Grantor shall submit such data during or following any evaluation or study.

Section 20. **Governing Law; Venue.** This Regulatory Agreement shall be governed by the laws of the State of Washington. The Grantor, for itself and its successors and assigns, consents to the jurisdiction of the courts of the State of Washington and to venue of any proceedings hereunder in King County, Washington.

Section 21. **Time.** Time is of the essence of the Grantor's obligations hereunder.

Section 22. **Obligations of Borrower and co-Grantor(s).** So long as Borrower is owner of the Property, Borrower agrees that Borrower shall discharge all obligations placed upon Grantor hereunder, and shall hold Sponsor harmless from any liability hereunder. The foregoing notwithstanding, Borrower and all other persons named as Grantor herein, and their respective interests in the Property and respective successors and assigns, are bound hereby jointly and severally, and the City shall have the right to enforce any provision hereof against any or all of such parties and interests. Sponsor agrees that this Regulatory Agreement shall be binding upon any interest in the Property now held or hereafter acquired by Sponsor, and upon Sponsor as the holder of any such interest.

[Signatures begin on following page]

IN WITNESS HEREOF, the parties have caused this Regulatory Agreement to be signed by their respective, duly authorized representatives, as of the day and year first written above.

GRANTORS:

1601 YESLER LLC,
a Washington limited liability company

By: Africatown Community Land Trust, a Washington nonprofit corporation,
its Manager

By: _____
K. Wyking Garrett, President

AFRICATOWN COMMUNITY LAND TRUST,
a Washington nonprofit corporation

By: _____
K. Wyking Garrett, President

The City accepts this Regulatory Agreement as of the day and year first above written.

THE CITY OF SEATTLE,
a Washington municipal corporation

By: _____
Laurie Olson, Capital Investments Manager
Office of Housing

BORROWER ACKNOWLEDGMENT

STATE OF WASHINGTON)
)ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that K. Wyking Garrett is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the President of Africatown Community Land Trust, a Washington nonprofit corporation, the Manager of **1601 YESLER LLC**, a Washington limited liability company, to be the free and voluntary act of said nonprofit corporation on behalf of such limited liability company for the uses and purposes mentioned in the instrument.

Dated this _____ day of October, 2021.

NOTARY PUBLIC in and for the State of Washington residing at _____
My commission expires: _____
PRINT NAME: _____

Use this space for Notary Seal/Stamp

SPONSOR ACKNOWLEDGMENT

STATE OF WASHINGTON)
)ss.
COUNTY OF KING)

I I certify that I know or have satisfactory evidence that K. Wyking Garrett is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the President of **AFRICATOWN COMMUNITY LAND TRUST**, a Washington nonprofit corporation, to be the free and voluntary act of such nonprofit corporation for the uses and purposes mentioned in the instrument.

Dated this _____ day of October, 2021.

NOTARY PUBLIC in and for the State of Washington residing at _____
My commission expires: _____
PRINT NAME: _____

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CITY ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this_____ day of October, 2021, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Laurie Olson, to me known (or proved by satisfactory evidence) to be the Capital Investments Manager of the Office of Housing of **THE CITY OF SEATTLE**, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the purposes therein mentioned, and on oath stated that she was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

NOTARY PUBLIC in and for the State of Washington residing at _____
My commission expires: _____
PRINT NAME: _____

Use this space for Notary Seal/Stamp